

FISCAL NOTE

SB 2941 - HB 2887

March 11, 2004

SUMMARY OF BILL: Amends the "Uniform Administrative Procedures Act" by adding a new component known as the "Regulatory Flexibility Act of 2004". The new act requires state agencies to prepare economic impact statements for proposed legislation that may have an adverse effect on small businesses. For the purposes of this act, small businesses are defined as those with fewer than 500 full-time employees or gross annual sales of less than \$6,000,000. For any new rule or regulation filed by a state agency, a regulatory flexibility analysis would consider the minimization of adverse impacts on small businesses resulting from the rule or regulation, as well as simplified reporting requirements and specialized performance standards for these entities. The agency would be required to report such intent to the Department of Economic and Community Development which would then advise and assist the agency in achieving compliance with the provisions of this bill. The bill also provides agencies with a four-year period to examine existing rules and perform a similar analysis. This time frame could be extended by up to one year if completion is not feasible within the four-year time frame. Additionally, a review would be required every five years after the filing date for rules adopted following the enactment of this bill.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$63,600 One-Time
\$945,600 Recurring**

Estimate assumes that all of the increases in expenditures to the state are for additional personnel and peripheral expenses necessary within the following departments to carry out the provisions of this bill as follows:

- Department of Economic and Community Development - three new positions.
- Department of Financial Institutions - two new positions.
- Secretary of State - five new positions.
- Department of Human Services - eight new positions.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

